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Testimony to the
Senate Economic Development Committee
From
Birgit M. Klohs, President & CEO
The Right Place, Inc.

Mr. Chairman and members of the Committee, thank you for allowing me to provide testimony in support of the New International Trade Crossing (NITC) and Senate Bills 410 and 411.

The Right Place, Inc. is a regional economic development organization serving West Michigan since 1985. Funded through private and public investments, our mission is to promote wealth creation and economic growth in the areas of quality employment, productivity and innovation in West Michigan by developing jobs through leading business retention, expansion and attraction efforts.

Supporting the growth of wealth-creating companies means we are primarily concerned about firms that bring new dollars into our region by exporting products and services to customers in other areas. The dollars that flow back into West Michigan from those sales translate into new orders for local manufacturers, household incomes for local spending, and increased local and state tax revenues.

Since 2009, we have assisted more than 2,700 of these wealth-creating companies in investing over \$420 million in our region, and creating and retaining over 6,000 jobs. These projects reflect one of the core strengths of our regional economy: smart manufacturing. Creating products for life science, alternative energy, food processing, information technology, automotive, office furniture and a host of other industries, manufacturing in West Michigan represents nearly 33% of all jobs, and nearly 40% of all incomes.

Therefore, the ability to efficiently **export** those products is critical for West Michigan companies and is a significant part of our regional economy. **One out of seven West Michigan jobs are linked to trade with Canada**, and an estimated \$1.2 billion in trade statewide crosses the border daily. Improving the crossing into Canada — and our surface transportation infrastructure — is critical to our continued growth, especially now when so many of our manufacturers are responding to pent-up demand in automotive and other industries.



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Sean Weich The PNC Financial Services Group

Much of that \$420 million investment and 6,000-plus jobs came from companies expanding into West Michigan. Today, we face incredible competition from other states and countries for those investments. In a recent survey, 95% of site consultants ranked access to customers the top priority in choosing a region for investment. Our ability to provide a robust infrastructure to support that access not only allows us to compete, it shows Michigan is serious about supporting business.

Building the NITC also directly impacts the state economy in the more than 10,000 jobs it will create in the related hospitality and service businesses once the bridge is operational. It will also alleviate millions in lost productivity and other business costs created by the delays and congestion on and around the 82year-old Ambassador Bridge and its routing from Detroit into downtown Windsor. The NITC will provide a direct connection from I-75 to Canada's Hwy 401 and will provide the capacity necessary to accommodate increasing traffic flows that are expected to exceed 90,000 daily crossings by 2020.

Economically, we have everything to gain and nothing to lose in building the NITC, literally. The project will not cost Michigan taxpayers a dime. Any cost overruns will be the responsibility of the Canadian government. In addition, Governor Snyder successfully negotiated with the US Department of Transportation to leverage Canada's \$550 million investment to secure \$2.2 billion in immediate federal funds for other transportation infrastructure improvements throughout Michigan.

Collaborating with the Canadian government is the right choice for Michigan's economy. It fosters growth among Michigan companies, supports job creation, and allows us to compete for new investments in a global market. Approving its construction secures much-needed funds to update Michigan's transportation infrastructure, creating even more opportunities for Michigan companies, and putting even more Michigan citizens to work.

On behalf of The Right Place, Inc., its Board of Directors, and companies across West Michigan, I strongly urge you to pass Senate Bills 410 and 411.

Thank you for the opportunity to provide our perspective on this critical issue.